(b) and (c) Response to FERA amendments has been generally encouraging.

(d) Review of rules and regulations under FERA is a continuous process.

NRI and foreign investment in India

2591. SHRI SHIV PRATAP MISHRA: Will the Minister of FINANCE be pleased to state:

(a) what are the details of investments made in India by NRIs and foreign companies during the last two financial years and till date during the current year;

(b) what has been the total of these investments, year-wise; and

(c) what are the projects, for which these investments have been earmarked?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) to (c) Information is being collected and will be laid on the table of the house.

Credit facilities to farmers

2592. DR. SANJAYA SINH: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to provide greater credit facilities to the farmers; and

(b) if so, what are the details theroef?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) and (b) The commercial banks are required to adhere to the instructions of Reserve Bank of India issued from time to time in the matter of advancing loans to the pri ority sector including agriculture. In terms of Reserve Bank of India's guidelines, public sector banks are required to extend direct finance to agriculture (including allied activities) to the extent of 18 per cent of their total credit.

A number of steps have been taken with a view to increase flow of credit to farmers particularly small and marginal farmers. The important ones are:

1. Tne interest on loans upto Rs. 7,500 is kept low at 11.5 per cent.

2. In the case of crop loans availed of by small and marginal farmers, the interest debited to the account should not exceed the principal amount.

3. No third party guarantee or collateral security is to be insisted upon for loans upto Rs. 10,000.

4. Tnere should be no compound interest on current dues in agricultural sector.

5. Appropriate sanctioning powers should be delegated to the Branch Managers so that majority of loan applications are sanctioned at branch level itself.

6. All loan applications upto a credit limit of Rs. 25,000 are to be disposed off within a fortnight and those for over Rs. 25,000 within 8-9 weeks.

7. Loan proposals from SC/ST applicants should not be rejected without valid reasons. In such cases, rejections should be at a level higher than that of Branch Manager;

Negotiations with IMF and world bank

2593. SHRI N. GIRIPRASAD:
SHRI N. E. BALARAM:

Will the Minister of FINANCE be pleased to state: